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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/2007

SPONSOR Nava LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE School District Revitalization Projects SB 562

ANALYST Aguilar

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$120.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 67, HB 175

#### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Education Department (PED)

#### SUMMARY

##### Synopsis of Bill

Senate Bill 562 appropriates \$120 thousand from the general fund to the Public Education Department for rural revitalization projects in Tatum, Maxwell and Cimarron municipal school districts.

#### FISCAL IMPLICATIONS

The appropriation of \$120 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

The LFC remains concerned with funding initiatives outside of the funding formula as it tends to disqualify school funding and diverts funding away from core educational needs.

#### SIGNIFICANT ISSUES

According to PED, this appropriation will be used to hire 3 FTE in the districts mentioned as

business managers for rural revitalization projects. Funding for district personnel is included in the district's distribution from the State Equalization Guarantee. If the district chooses to make this a priority, sufficient funding is included in the SEG to meet the need.

PA/nt